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**THE CITY OF BLUE ISLAND  
COOK COUNTY, ILLINOIS**

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**RESOLUTION  
NUMBER 2018-004**

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**A RESOLUTION APPROVING A CLASS 6B REAL ESTATE TAX  
ASSESSMENT APPLICATION BY BLUE ISLAND INDUSTRIAL,  
LLC. FOR THE PROPERTY LOCATED AT 3500 W. 127th STREET,  
CITY OF BLUE ISLAND, COOK COUNTY, ILLINOIS**

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**DOMINGO F. VARGAS, Mayor  
Randy Heuser, City Clerk**

**DEXTER JOHNSON  
LETICIA VIEYRA  
NANCY RITA  
TOM HAWLEY  
BILL FAHRENWALD  
CANDACE CARR  
KENNETH PITTMAN**

**GEORGE POULOS  
FRED BILOTTO  
KEVIN DONAHUE  
ALECIA SLATTERY  
JANICE OSTLING  
JAIRO FRAUSTO  
NANCY THOMPSON**

**Aldermen**

**RESOLUTION NO. 2018-004**

**A RESOLUTION SUPPORTING A CLASS 6B REAL ESTATE TAX  
ASSESSMENT APPLICATION BY BLUE ISLAND INDUSTRIAL, LLC.  
FOR THE PROPERTY LOCATED AT 3500 W. 127th STREET,  
CITY OF BLUE ISLAND, COOK COUNTY, ILLINOIS**

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**WHEREAS**, the City of Blue Island, Cook County, Illinois (the “City”) is a duly organized and existing municipal corporation created under the provisions of the laws of the State of Illinois and under the provisions of the Illinois Municipal Code, as from time to time supplemented and amended, and the said City, therefore, may exercise any power and perform any function pertaining to its government and affairs; and

**WHEREAS**, the President and Board of Commissioners of the County of Cook have enacted and amended an ordinance entitled Cook County Real Property Assessment Classification, as amended from time to time (the “Classification Ordinance”) which provides for a tax assessment incentive classification designed to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures and utilization of abandoned industrial buildings in order to create employment opportunities and expand the tax base; and

**WHEREAS**, Blue Island Industrial, LLC (the “Applicant”) acquired a parcel of property commonly known as 3500 W. 127th Street, Blue Island, Illinois, identified by permanent index numbers (PINs) 24-26-403-008-0000, 24-26-403-011-0000, and 24-403-012-0000 and as legally described on Exhibit A, a copy of which is attached hereto and made a part hereof (the “Property”);  
and

**WHEREAS**, Blue Island Industrial, LLC (the “Applicant”), has requested the Mayor and City Council of the City of Blue Island (the “Corporate Authorities”) to support and consent to the granting of a Cook County Class 6B Real Estate Assessment Classification for the Property.

**NOW THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Blue Island as follows:

**Section 1.** That the above recitals and legislative findings are found to be true and correct and are hereby incorporated herein and made a part hereof, as if fully set forth in their entirety.

**Section 2.** The Corporate Authorities support and consent to the granting of a Cook County 6B Tax Assessment Classification for the Property, which is legally described in Exhibit A, and find that without the granting of the Class 6B Tax Assessment Classification, Blue Island Industrial, LLC will not be able to maintain the facility and will thwart the efforts of new tenants to expand within the City.

**Section 3.** The Corporate Authorities further find that the granting of the Class 6B Tax Assessment Classification is necessary for the development to occur and remain viable on the Property, which is the subject of this Resolution.

**Section 4.** If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity thereof shall not affect any other provision of this Resolution.

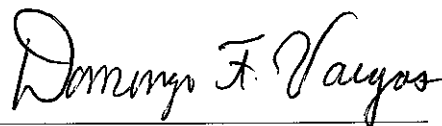
**Section 5.** All ordinances, resolutions, motions or orders in conflict with this Resolution are hereby repealed to the extent of such conflict.

**Section 6.** This Resolution shall be in full force and effect upon its passage, approval and publication as provided by law.

ADOPTED this 23rd day of January, 2018, pursuant to a roll call as follows:

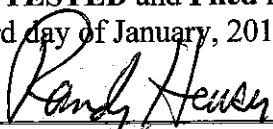
	YES	NO	ABSENT	PRESENT	ABSTAIN
Alderman JOHNSON			X		
Alderman POULOS	X				
Alderman VIEYRA	X				
Alderman BILOTTO	X				
Alderman RITA			X		
Alderman DONAHUE			X		
Alderman HAWLEY	X				
Alderman SLATTERY			X		
Alderman FAHRENWALD	X				
Alderman OSTLING	X				
Alderman CARR		X			
Alderman FRAUSTO			X		
Alderman PITTMAN			X		
Alderman THOMPSON			X		
Mayor DOMINGO F. VARGAS	X				
<b>TOTAL</b>	<b>7</b>	<b>1</b>	<b>7</b>		

APPROVED: this 23rd day of January, 2018.



MAYOR OF THE CITY OF BLUE ISLAND, COUNTY OF COOK AND STATE OF ILLINOIS

ATTESTED and Filed in my office this 23rd day of January, 2018.



CITY CLERK

Exhibit A

*Legal Description*

24-26-403-008-0000  
24-26-403-011-0000  
24-26-403-012-0000

PARCEL 1

A TRACT OF LAND IN THE WEST 12 OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 26, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING ALL THAT PART OF SAID WEST  $\frac{1}{2}$ , LYING SOUTH OF THE NORTH LINE OF THAT PORTION THEREOF INCLUDED IN "FARQUHAR PLAT A", RECORDED MARCH 16, 1892 IN BOOK 55 OF PLATS, PAGE 10, BEING A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 26, A DISTANCE OF 1195.48 EET NORTH OF THE SOUTHWEST CORNER OF SAID SOUTHEAST  $\frac{1}{4}$  AND FROM SAID WEST LINE DEFLECTING TO THE RIGHT 114 DEGREES, 41 MINUTES, 30 SECONDS, A DISTANCE OF 303.66 FEET TO A STONE; THENCE DEFLECTING TO THE RIGHT 09 DEGREES, 46 MINUTES, 30 SECONDS, A DISTANCE OF 509.55 FEET TO A STONE; THENCE DEFLECTING TO THE RIGHT 03 DEGREES, 03 MINUTES, 00 SECOND, A DISTANCE OF 798.35 FEET TO A POINT IN THE EAST LINE OF THE WEST  $\frac{1}{2}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 26, WHICH IS 304.68 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 26, (EXCEPTING FROM SAID TRACT OF LAND THE FOLLOWING DESCRIBED PARCELS:

THE RIGHT-OF-WAY OF CHICAGO AND CALUMET RAILWAY COMPANY; A PARCEL OF LAND 60.00 FEET IN WIDTH EXTENDING ACROSS THE SOUTHWEST  $\frac{1}{4}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 26, AFORESAID, SITUATED ON THE NORTHEAST SIDE OF AN ADJOINING THE RIGHT-OF-WAY CONVEYED TO CHICAGO TERMINAL RAILWAY AUGUST 1, 1899 BY DOCUMENT 1136487; THAT PART OF SAID TRACT, LYING EAST OF A LINE PARALLEL TO AND 500.00 FEET WEST OF THE EAST LINE OF SAID WEST  $\frac{1}{2}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 26 AORESAID; THE SOUTH 40.00 FEET THEREOF, TAKEN FOR 127TH STREET; THE WEST 33.00 FEET THEROF, TAKEN FOR CENTRAL PARK AVENUE; THOSE PARTS THEREOF CONVEYED TO THE PEOPLE OF THE STATE OF ILLINOIS FOR THE USE AND BENEFIT OF THE DEPARTMENT OF TRANSPORTATION BY WARRANTY DEEDS RECORDED FEBRUARY 20,1981 AS DOCUMENTS 25780580 AND 25780581; AND ALSO

EXCEPTING THEREFROM THAT PART THEREOF, LYING NORTH OF A LINE 600.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SOUTHEAST  $\frac{1}{4}$  OF SECTION 26) ALL IN COOK COUNTY, ILLINOIS.

PARCEL 2:

A TRACT OF LAND IN THE WEST ½ OF THE SOUTHEAST ¼ OF SECTION 26, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING THE NORTHEASTERLY 35.00 FEET, (AS MEASURED PERPENDICULAR TO THE CENTER LINE OF THE CHICAGO AND CALUMET RAIL WAY COMPANY RIGHT-OF-WAY) OF A PARCEL OF LAND 60.00 FEET IN WIDTH EXTENDED ACROSS THE SOUTHWEST ¼ OF THE SOUTHEAST ¼ OF SECTION 26, AFORESAID, SITUATED ON THE NORTHEAST SIDE OF AND ADJOINING THE RIGHT-OF-WAY CONVEYED TO THE CHICAGO TERMINAL RAILWAY AUGUST 1, 1889 BY DOCUMENT 1136487, (EXCEPTING FROM THE LAST DESCRIBED 35-FOOT WIDE STRIP OF LAND THAT PART THEREOF, LYING WEST OF THE EAST LINE OF THE WEST 33.00 FEET OF THE WEST ½ OF THE SOUTHEAST ¼ OF SAID SECTION 26; AND ALSO,

EXCEPTING FROM SAID LAST DESCRIBED 35-FOOT WIDE STRIP OF LAND THAT PART THEREOF, LYING SOUTH OF THE NORTH LINE OF THE SOUTH 40.00 FEET OF THE WEST ½ OF THE SOUTHEAST ¼ OF SAID SECTION 26; AND ALSO,

EXCEPTING THEREFROM THAT PART THEREOF CONVEYED TO THE PEOPLE OF THE STATE OF ILLINOIS FOR THE USE AND BENEFIT OF THE DEPARTMENT OF TRANSPORTATION BY WARRANTY DEED RECORDED FEBRUARY 20, 1981 AS DOCUMENT 25780581) ALL IN COOK COUNTY, ILLINOIS.

PARCEL 3:

A TRACT OF LAND IN THE WEST ¼ OF THE SOUTHEAST ¼ OF SECTION 26, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING ALL THAT PART OF SAID WEST ½, LYING SOUTH OF THE NORTH LINE OF THAT PORTION THEREOF INCLUDED IN "FARQUHAR PLAT A", RECORDED MARCH 16, 1892 IN BOOK 55 OF PLATS, PAGE 10 BEING A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF THE SOUTHEAST ¼ OF SAID SECTION 26, 1195.48 FEET NORTH OF THE SOUTHWEST CORNER OF SAID SOUTHEAST ¼ AND FROM SAID WEST LINE DEFLECTING TO THE RIGHT 114 DEGREES 41 MINUTES 30 SECONDS, 303.66 FEET TO A STONE; THENCE DEFLECTING TO THE RIGHT 9 DEGREES 46 MINUTES 30 SECONDS, 509.55 FEET TO A STONE; THENCE DEFLECTING TO THE RIGHT 3 DEGREES 03 MINUTES 00 SECONDS, 163.46 FEET TO A LINE 500.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE WEST ½ OF THE SOUTH EAST ¼ OF SECTOIN 26 AFORESAID; THENCE SOUTH ALONG SAID WEST LINE 86.86 FEET TO A LINE 600.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE SAID SOUTHEAST ¼ OF SECTION 26; THENCE WEST ALONG THE LAST DESCRIBED PARALLEL LINE 825.65 FEET TO THE WEST LINE OF SAID SOUTHEAST ¼ OF SECTION 26; THENCE NORTH ALONG SAID WEST LINE 595.46 FEET TO THE POINT OF BEGINNING (EXCEPT THEREFROM THE WEST 33.00 FEET TAKEN FOR CENTRAL PARK AVENUE), ALL IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 3500 W. 127th Street, Blue Island, Illinois

## LEASE AGREEMENT

### 1. Basic Provisions

The following provisions of this Article 1 constitute the basic provisions (the "Basic Provisions") of this lease agreement (this "Lease"). The other Paragraphs of this Lease explain, define and, in some cases, supplement the Basic Provisions and are to be read in conjunction with the Basic Provisions.

1.1 Date of Lease. February 1, 2018.

1.2 Parties. This Lease is made and entered into by and between Jose Pallets, Inc. ("Lessee"), and Blue Island Industrial LLC ("Lessor"). Lessee and Lessor are sometimes hereinafter referred to jointly as the "Parties," or individually, as a "Party."

1.3 Premises. The premises which are the subject of this Lease (the "Premises") are that certain real property, including all improvements constructed or installed thereon and those improvements which are to be provided by Lessor under the terms of this Lease, located at 3500 127th Street, Blue Island, Illinois, and generally described as approximately 33,732 rentable square feet of commercial building improvements commonly known as Tenant Space \*(the "Building") and the legal parcel of land on which such Building is located, as depicted on Exhibit "A" attached hereto.

1.4 Term. The term of this Lease (the "Term") is three (3) years commencing on February 1, 2018, (the "Commencement Date"), and expiring on January 31, 2021 (the "Expiration Date"). Term date and this agreement is first subject to advance approval of a 6B tax petition by the Village of Blue Island and the County of Cook.

1.5 Base Rent.

Year 1: Eight Thousand Four Hundred Dollars and No Cents (\$8,400.00) per month ("Base Rent"), payable on the first (1<sup>st</sup>) day of each month commencing on the Commencement Date.

Year 2: Eight Thousand Six Hundred Fifty Two Dollars and Forty Nine Cents (\$8,652.00) per month ("Base Rent"), payable on the first (1<sup>st</sup>) day of each month commencing on February 1, 2019.

Year 3: Eight Thousand Nine Hundred Eleven Dollars and Fifty Six Cents (\$8,911.56) per month ("Base Rent"), payable on the first (1<sup>st</sup>) day of each month commencing on February 1, 2020.

1.7 Permitted Use. Lessee shall have the right to use the Premises (the "Permitted Use") for all lawful purposes, including, without limitation, pallet and related storage the warehousing equipment, parking and storage of equipment and vehicles, and all lawful uses related thereto.

1.8 Insuring Party. Lessee is the "Insuring Party" unless otherwise stated herein.

1.9 Broker. Bob Barr, Strategic Advisors

1.10 Options to Extend Term. Lessee shall have the option to extend the Term for one (1) period(s) (each, an "Extension Option") of two ~~five~~ (25) years (each, an "Extension Term"), as set forth in Paragraph 3.4. Each year Base Rent of any Extension ~~Extension~~ Option to increase by the prevailing market rate, based upon comparable tenants, buildings, location, access, comparable leases, all in the South suburban industrial market.

## LEASE AGREEMENT

### 1. Basic Provisions

The following provisions of this Article 1 constitute the basic provisions (the "Basic Provisions") of this lease agreement (this "Lease"). The other Paragraphs of this Lease explain, define and, in some cases, supplement the Basic Provisions and are to be read in conjunction with the Basic Provisions.

1.1 Date of Lease. \_\_\_\_\_, 2017.

1.2 Parties. This Lease is made and entered into by and between Schroeder's Pallet Service, Inc. ("Lessee"), and **Blue Island Industrial LLC** ("Lessor"). Lessee and Lessor are sometimes hereinafter referred to jointly as the "Parties," or individually, as a "Party."

1.3 Premises. The premises which are the subject of this Lease (the "Premises") are that certain real property, including all improvements constructed or installed thereon and those improvements which are to be provided by Lessor under the terms of this Lease, located at 3500 127th Street, Blue Island, Illinois, and generally described as approximately 84,269 rentable square feet of commercial building improvements commonly known as Tenant Spaces B and C (the "Building") and the legal parcel of land on which such Building is located, as depicted on Exhibit "A" attached hereto.

1.4 Term. The term of this Lease (the "Term") is ten(10) years commencing on February 1, 2018, (the "Commencement Date"), and expiring on December 31, 2023 (the "Expiration Date"). Term date and this agreement is first subject to advance approval of a 6B tax petition by the Village of Blue Island and the County of Cook.

1.5 Base Rent.

Year 1: Nineteen Thousand Three Hundred Eleven Dollars and Sixty Four Cents (\$19,311.64) per month ("Base Rent"), payable on the first (1<sup>st</sup>) day of each month commencing on the Commencement Date. Year 2: Nineteen Thousand Eight Hundred Ninety Dollars and Ninety Eight Cents (\$19,890.98) per month ("Base Rent"), payable on the first (1<sup>st</sup>) day of each month commencing on February 1, 2019.

Year 3: Twenty Thousand Four Hundred Eighty Seven Dollars and Seventy Cents (\$20,487.70) per month ("Base Rent"), payable on the first (1<sup>st</sup>) day of each month commencing on February 1, 2020.

Year 4: Twenty One Thousand One Hundred Hundred Two Dollars and Thirty Three Cents (\$21,102.33) per month ("Base Rent"), payable on the first (1<sup>st</sup>) day of each month commencing on February 1, 2021.

Year 5: Twenty One Thousand Seven Hundred Thirty Five Dollars and Thirty Nine Cents (\$21,735.39) per month ("Base Rent"), payable on the first (1<sup>st</sup>) day of each month commencing on February 1, 2022.

Year 6: Twenty Two Thousand Three Hundred Eighty Seven Dollars and Forty Five Cents (\$22,387.45) per month ("Base Rent"), payable on the first (1<sup>st</sup>) day of each month commencing on February 1, 2023.

1.6 Base Rent Concession. For the period February 1, 2018, through January 31, 2019, Lessor will credit Lessee the amount of \$5,247.00 per month as a rent credit.

1.7 Permitted Use. Lessee shall have the right to use the Premises (the "Permitted Use") for all lawful purposes, including, without limitation, pallet, storage equipment warehousing of client's bulk, packaged products and other customer related warehousing needs, parking and storage of equipment and vehicles and all lawful uses related thereto.

1.8 Insuring Party. Lessee is the "Insuring Party" unless otherwise stated herein.





**City of Blue Island**  
13051 Greenwood Ave  
Blue Island, IL 60406  
www.blueisland.org

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**PLANNING & BUILDING DEPARTMENT - STAFF REPORT**

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**DATE:** JANUARY 5, 2018  
**RE:** BLUE ISLAND INDUSTRIAL, LLC

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**Applicant:** Blue Island Industrial, LLC

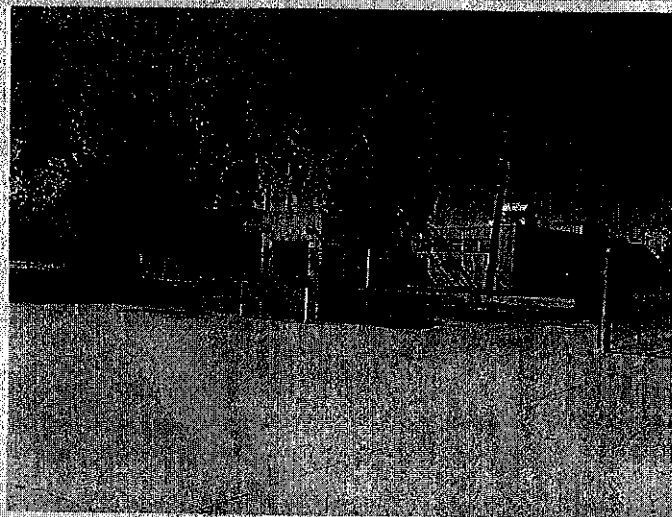
**Owners:** Daniel McLachlan

**Location:** 3500 W. 127<sup>th</sup> Street

**Zoning:** I-1 Limited Industry

**Current Use:** Vacant

**Use Area:** 157,800 square foot building;  
651,835 square foot site



**Introduction**

Blue Island Industrial, LLC is requesting the City of Blue Island's (the City) support for a request of a Class 6B Property Tax Incentive with Cook County. The property is located on PIN Parcels 24-26-403-008, 011, 012.

**Discussion**

The building is currently vacant. It was previously approved for a Class 7a Property Tax Incentive in July of 2017 to be used as an on line automobile auction dealership. The owner has chosen not to proceed with the dealership. He now intends to rehabilitate the building and lease it to two industrial users, Schroeder Pallet Service and Jose Pallets. Schroeder Pallets plans to relocate from 13601 Western. They currently employ 18, 4 of which are Blue Island residents. Jose Pallets plans to relocate from 4506 McDowell Avenue, Chicago, bringing 8-10 employees.

In total, the cost estimate for development and rehabilitation of the property is estimated to be \$645,000 (see attached). The project is estimated to create between 30-50 construction jobs. Upon completion of construction the two new tenants would bring a total of 25-28 full time employees to the site. Both tenants have expressed interest in hiring Blue Island residents and would like to share information on any available job posting boards.

### **Conclusion**

2016 taxes paid were \$195,555 based on the Class 5 assessment and vacancy appeal. Taxes at full occupancy are estimated at \$419,000. With the Class 6B it is estimated taxes could be \$167,700, based on occupancy.

As part of the approval and incentive resolution, the City will recommend commitments for hiring preference of City residents (job fairs, early interviews, etc.). The City will also request information from the property owner relating to the timing of site improvements.

### **Attachments**

- Memo – Kane McKenna Associates, Inc.
- Planned Rehabilitation Cost Estimate Breakdown
- Cook County Assessor Class 6B Eligibility Application
- Lease Agreements

# **MEMO**

**TO:** Mark Miller

**FROM:** Robert Rychlicki  
Kane, McKenna and Associates, Inc.

**DATE:** January 9, 2018

**RE:** Review of Proposed Class 6b Application - Blue Island Industrial, LLC

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The City of Blue Island (the "City") has requested Kane, McKenna and Associates, Inc. ("KMA") to review materials submitted by the following applicant regarding information related to the Cook County Class 6b incentive classification: Blue Island Industrial, LLC, located at 3500 West 127<sup>th</sup> Street, located on PINs 24-26-403-008, -011, -012. Previously, the site was considered for commercial use as part of Project Auto Sports auto auction dealership and requested a Class 7a incentive. That project is no longer feasible.

Under the current Cook County Class program, assessment levels would be reduced from 25% to 10% for 10 years with a step up to 15% in year 11, 20% in year 12 and returns to full 25% in year 13. The property is currently classified as Class 5 Industrial (25% assessment rate).

The project site consists of a 157,800 s.f. building on a 651,835 s.f. site. Total rehab costs associated with the project are estimated at \$645,000.

Current 2016 taxes are \$195,555 which assumes a vacant status for the tax parcels. Taxes at occupied status are estimated at approximately \$419,000. The proposed Class 6b would reduce those taxes by 60% or estimated at \$167,700 per year for the first 10 years of the incentive, gradually increasing per year until year 13, as referenced above, when the property returns to full assessment, unless a renewal request is granted.

The real estate which was previously owned and operated by G + W Electric System and the site has been vacant for 4 years. The owner proposes to rehabilitate the property and lease to two industrial users - Schroeder Pallet Service and Jose Pallets.

The applicant estimates 25-28 full time jobs at the site with 30-50 temporary construction jobs.

**MEMO**  
Page Two  
January 9, 2018

**Recommendations**

The application, if approved, would result in the following benefits to the City:

- a) New jobs and the potential for increased job creation.
- b) Reuse of an existing vacant industrial structure.

We would recommend that as part of the City's approval of the incentive resolution, the City review:

- a) Commitments for hiring preference for City residents (job fairs, early interviews, etc.).
- b) Have the owner provide proof/evidence of leasing for the two new users.

THE LAW OFFICES OF  
**LISTON & TSANTILIS**  
A PROFESSIONAL CORPORATION



33 NORTH LASALLE STREET, 28TH FLOOR CHICAGO, ILLINOIS 60602  
BRIAN P. LISTON (312) 580-1594 PETER TSANTILIS (312) 604-3808 FACSIMILE (312) 580-1592

November 28, 2017

**VIA FEDERAL EXPRESS AND EMAIL**

Mark Miller  
Project Coordinator  
City of Blue Island  
13051 Greenwood Avenue  
Blue Island, IL 60406

**RE: Class 6b Tax Incentive**  
**Blue Island Industrial LLC (or its nominee)**  
**3500 W. 127<sup>th</sup> St.**  
**Blue Island, IL 60406**  
**PIN: 24-26-403-008; 011; 012**

Dear Mark:

Blue Island Industrial LLC, or its nominee (collectively, the "Applicant") owns the above referenced property and is requesting a Resolution from the City of Blue Island supporting and consenting to a Class 6b Tax Incentive for the subject property based on substantial rehabilitation and occupancy of abandoned property for greater than twenty four months, with a purchase for value, at the above property.

Applicant, Blue Island Industrial LLC, purchased the building in July of 2017. Applicant plans to rehabilitate the building and lease it to two industrial users, Schroder Pallet Service and Jose Pallets.

The total land area of the subject property is approximately 651,835 square feet. A 157,800 square foot, class B industrial building is present at the property. The subject property is located within an I-1 Limited Industrial Zoning District.<sup>1</sup> The Applicant's proposed use of the site, generally falls within multiple permitted uses for the district.

Applicant, Blue Island Industrial, purchased the building in July of 2017. Applicant plans to rehabilitate the building and lease it to two industrial users, Schroder Pallet Service and Jose Pallets. Currently the site is configured for a single industrial user and is in need of substantial repairs in order to bring it up to a modern and useable space.

In total, the costs for this project will be nearly \$645,000 (including hard costs and all other development costs). This project is projected to create approximately 30-50 construction jobs. Key specifications of the property include:

<sup>1</sup> Blue Island Zoning Map, <http://www.blueisland.org/government/city-departments/building-zoning/zoning/>

THE LAW OFFICES OF  
**LISTON & TSANTILIS**

- 14-24' clear height
- 4 internal truck doors
- 400 car parking stalls
- 5 drive in doors
- 2/5 ton cranes

Please note that these projected costs may change due to construction variations, market forces or other reasons. Regarding the timeline for the project, should the Class 6b tax incentive be approved, the building is anticipated to be ready for the two new tenants by February 1, 2018.

As long as the property remains in its current state, the site will likely remain vacant. The property is not in line with available product in the Class A or B manufacturing space in the area, especially given the site's deferred maintenance issues and condition. If Applicant rehabilitates the subject property, it will resolve these issues through this proposed project and bring two strong industrial users to the site. These improvements will help beautify the 127th<sup>st</sup> Street corridor.

Both tenants, Schroeder Pallet Service and Jose Pallets, are very interested in the building but both tenants' interest in the property is expressly contingent on the granting of a class 6b tax incentive. Otherwise, the investments needed into the property and the potential rental rates are not competitive with alternative options in the surrounding area, Will County or Northwest Indiana.

In total, if this incentive is approved:

- Two new tenants at the site would bring 25 full time employees
- Projected to add 10-15 additional employees over the next ten years

Both tenants are interested in hiring Blue Island residents for any open positions that may be created by the move and Applicant would like to share any available job posting boards or information with them.

The Applicant is requesting a new Class 6b Incentive based on based on substantial rehabilitation, occupancy of abandoned property for greater than twenty four months, with a purchase for value, and is eager to work with Cook County in order to bring more jobs and commerce to the community. Please review this letter and the attached materials and, if possible, place the Applicant on the agenda for the next committee meeting to approve the Class 6b Incentive on this property. Should you have any other questions or need any additional information or documentation, please do not hesitate to contact me at (312) 604-3898.

Regards,

Conor P. Desmond

**COOK COUNTY ASSESSOR**  
**JOSEPH BERRIOS**



COOK COUNTY ASSESSOR'S OFFICE  
118 NORTH CLARK STREET, CHICAGO, IL 60602  
PHONE: 312.443.7550 FAX: 312.603.6584  
WWW.COOKCOUNTYASSESSOR.COM

**CLASS 6B**  
**ELIGIBILITY APPLICATION**

Carefully review the Class 6B Eligibility Bulletin before completing this Application. For assistance, please contact the Assessor's Office, Development Incentives Department (312) 603-7529. This application, a filing fee of \$500.00, and supporting documentation (except drawings and surveys) must be filed as follows:

This application must be filed **PRIOR TO** the commencement of New Construction or **PRIOR TO** the commencement of Substantial Rehabilitation Activities or **PRIOR TO** the commencement of Reoccupation of Abandoned Property.

**Applicant Information**

Name: Blue Island Industrial (or its nominee) Telephone: ( 630 ) 207-3263  
Address: 456 Washington Ave  
City: Carlstadt State: NJ Zip Code: 07072

**Contact Person (if different than the Applicant)**

Name: Daniel McLachlan Telephone: ( 630 ) 207-3263  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Email: d.mclachlan1@gmail.com

**Property Description (per PIN)**

If you are applying for more than three different PINs, please submit the additional PIN information in an attachment.

Street Address: (1) 3500 W 127th St.  
Permanent Real Estate Index Number: 24-26-403-008-0000  
(2) \_\_\_\_\_  
Permanent Real Estate Index Number: 24-26-403-011-0000  
(3) \_\_\_\_\_  
Permanent Real Estate Index Number: 24-26-403-012-0000  
City: Blue Island State: IL Zip Code: 60406  
Township: Worth Existing Class: 5-93

Attach legal description, site dimensions and square footage and building dimensions and square footage.

**Identification of Person Having an Interest in the Property**

Attach a complete list of all owners, developers, occupants and other interested parties (including all beneficial owners of a land trust) identified by names and addresses, and the nature and extent of their interest.

**Industrial Use**

Attach a detail description of the precise nature and extent of the intended use of the subject property, specifying in the case of the multiple uses the relative percentages of each use.

Include copies of materials, which explain the occupant's business, including corporate letterhead, brochures, advertising material, leases, photographs, etc.

**Nature of Development**

Indicate nature of proposed development by checking the appropriate space:

- New Construction (Read and Complete Section A)
- Substantial Rehabilitation (Read and Complete Section A)  
Incentive only applied to the market value attributable to the rehabilitation
- Occupation of Abandoned Property - No Special Circumstance  
(Read and Complete Section B)
- Occupation of Abandoned Property - With Special Circumstance  
(Read and Complete Section C)
- Occupation of Abandoned Property - (TEERM Supplemental Application)  
(Read and Complete Section C)

**SECTION A (NEW CONSTRUCTION/SUBSTANTIAL REHABILITATION)**

If the proposed development consists of *New Construction* or *Substantial Rehabilitation*, provide the following information:

Estimated date of construction commencement (excluding demolition, if any): ASAP

Estimated date of construction completion: ASAP

Attach copies of the following:

1. Specific description of the proposed *New Construction* or *Substantial Rehabilitation*
2. Current Plat of Survey for subject property
3. 1<sup>st</sup> floor plan or schematic drawings
4. Building permits, wrecking permits and occupancy permits (including date of issuance)
5. Complete description of the cost and extent of the *Substantial Rehabilitation* or *New Construction* (including such items as contracts, itemized statements of all direct and indirect costs, contractor's affidavits, etc)



**SECTION B (ABANDONED PROPERTY WITH NO SPECIAL CIRCUMSTANCE)**

If the proposed development consists of the reoccupation of abandoned property, purchased for value, complete (1) and (2) below:

1. Was the subject property vacant and unused for at least 24 continuous months prior to the purchase for value?

YES       NO

When and by whom was the subject property last occupied prior to the purchase for value?

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Attach copies of the following documents:

- (a) Sworn statements from person having personal knowledge attesting to the fact and the duration of vacancy and abandonment
- (b) Information (such as statements of utility companies) which demonstrate that the property was vacant and unused and indicate duration of such vacancy

2. Application must be made to the Assessor prior to occupation:

Estimated date of reoccupation: \_\_\_\_\_  
Date of Purchase: \_\_\_\_\_  
Name of purchaser: \_\_\_\_\_  
Name of seller: \_\_\_\_\_  
Relationship of purchaser to seller: \_\_\_\_\_

Attach copies of the following documents:

- (a) Sale Contract
- (b) Closing Statement
- (c) Recorded Deed
- (d) Assignment of Beneficial Interest
- (e) Real Estate Transfer Declaration

**SECTION C (SPECIAL CIRCUMSTANCES)**

If the applicant is seeking special circumstances to establish that the property was abandoned for purposes of the Incentive where there was a **purchase for value**, but the period of *abandonment prior to purchase was less than 24 months*, complete section (1).

If the applicant is seeking special circumstances to establish that the property was abandoned for purposes of the Incentive where there was **no purchase for value**, but the period of **abandonment prior to the application 24 continuous months or greater**, complete section (2).

If the applicant is seeking special circumstances to establish that the property was abandoned for purposes of the Incentive where there was **no purchase for value**, but the period of **abandonment prior to the application was greater than 12 continuous months and less than 24 continuous month**, complete section (2) and the **TEERM Supplemental Application**.

1. How long was the period of abandonment prior to the purchase for value? See Attached

When and by whom was the subject property last occupied prior to the purchase for value?

See attached

Attach copies of the following documents:

- (a) Sworn statements from persons having personal knowledge attesting to the fact and the duration of the vacancy and abandonment
- (b) Information (such as statements of utility companies) which demonstrate that the property was vacant and unused and indicate duration of vacancy
- (c) Include the finding of special circumstances supporting "abandonment" as determined by the municipality, or the County Board, if located in an unincorporated area. Also include the ordinance or resolution from the Board of Commissioners of Cook County stating its approval for less than 24-month abandonment period.

Application must be made to the Assessor prior to the commencement of reoccupation of the abandoned property.

Estimated date of Reoccupation:	<u>February 2018</u>
Date of purchase:	<u>July 2017</u>
Name of purchaser:	<u>Blue Island Industrial LLC</u>
Name of seller:	<u>G&amp;W Elec Co</u>
Relationship of purchaser to seller:	<u>n/a</u>

Attach copies of the following documents:

- (a) Sale Contract
- (b) Closing Statement
- (c) Recorded Deed
- (d) Assignment of Beneficial Interest
- (e) Real Estate Transfer Declaration

2. How long has the subject property been unused?

- 24 or greater continuous months (*Eligible for Special Circumstance*)
- 12 continuous months but less than 24 continuous months (*Eligible for Special Circumstance under TEERM*) - **Complete TEERM Supplemental Application**
- Less than 12 continuous months (*Not Eligible for Special Circumstance*)

When and by whom was the subject property last occupied prior to the filing of this application?

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Attach copies of the following documents:

- (a) Sworn statements from persons having personal knowledge attesting to the fact and the duration of the vacancy and abandonment
- (b) Information (*such as statements of utility companies*) which demonstrate that the property was vacant and unused and indicate duration of vacancy
- (c) Include the finding of special circumstances supporting "abandonment" as determined by the municipality, or the County Board, if located in an unincorporated area. Also include the ordinance or resolution from the Board of Commissioners of Cook County stating its approval for lack of a purchase for value.

Application must be made to Assessor prior to the commencement of reoccupation of the abandoned property.

Estimated date of reoccupation: \_\_\_\_\_

**TEERM SUPPLEMENTAL APPLICATION**

*(This form will ONLY be utilized for applicants who specifically elect for TEERM)*

*This supplemental eligibility application is for properties that have been abandoned (due to special circumstances) for at least 12 continuous months and less than 24 continuous months with no purchase taking place.*

*Under the TEERM Program, qualifying industrial real estate would be eligible for the Class 6B level of assessment from the date of substantial re-occupancy of the abandoned property. Properties receiving Class 6B will be assessed at 10% of market value for the first 10 years, 15% in the 11th year and 20% in the 12th year. The terms of this program are Not Renewable.*

*No applications will be taken after November 30, 2018.*

I n/a applicant/representative hereby specifically elect to submit this Supplemental Application for the TEERM program.

Further affiant sayeth not.

\_\_\_\_\_  
Agent's Signature

\_\_\_\_\_  
Agent's Name & Title

\_\_\_\_\_  
Agent's Mailing Address

\_\_\_\_\_  
Agent's Telephone Number

\_\_\_\_\_  
Applicant's Name

\_\_\_\_\_  
Applicant's Mailing Address

\_\_\_\_\_  
Applicant's e-mail address

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
Signature of Notary Public

EMPLOYMENT OPPORTUNITIES

How many construction jobs will be created as a result of this development? see attached

How many new permanent full-time and part-time employees do you now employ in Cook County?

Full-time: see attached Part-time: see attached

How many new permanent full-time jobs will be created as a result of this proposed development?  
see attached

How many new permanent full-time jobs will be created as a result of this proposed development?  
see attached

LOCAL APPROVAL

A certified copy of a resolution or ordinance from the municipality in which the real estate is located (or the County Board, if the real estate is located in an unincorporated area) should accompany this Application. The ordinance or resolution must expressly state that the municipality supports and consents to this Class 6B Application and that it finds Class 6B necessary for development to occur on the subject property. If a resolution is unavailable at the time the application is filed, a letter from the municipality or the County Board, as the case may be, stating that a resolution or ordinance supporting the incentive has been requested may be filed with this application instead. If the applicant is seeking to apply based on the reoccupation of abandoned property and will be seeking a finding of "special circumstances" from the municipality, in addition to obtaining a letter from the municipality confirming that a resolution or ordinance supporting the incentive has been requested, the applicant must file a letter from the County Board confirming that a resolution validating a municipal finding of special circumstances has been requested. If, at a later date, the municipality or the County Board denies the applicant's request for a resolution or ordinance, the applicant will be deemed ineligible for the Class 6B incentive, whether or not construction has begun. In all circumstances, the resolution must be submitted by the time the applicant files an "Incentive Appeal."

I, the undersigned, certify that I have read this Application and that the statements set forth in this Application and in the attachments hereto are true and correct, except as those matters stated to be on information and belief and as to such matters the undersigned certifies that he/she believes the same to be true.

Dan McLachlan

Signature

Dan McLachlan

Print Name

11/28/17

Date

Authorized Signatory

Title

10413

# INCENTIVES CLASS LIVING WAGE ORDINANCE AFFIDAVIT

Dan McLachlan as agent for the applicant set forth below, who is seeking a classification incentive as referenced below, I do hereby state under oath as follows:

1. As the agent for the applicant set forth below, I have personal knowledge as to the facts stated herein.
2. The property identified by PIN(s) with commonly known address(es), listed in Exhibit A attached and herein incorporated, are/is the subject of a pending application/renewal (circle as appropriate) for one of the following development incentives provided by the Code of Ordinances of Cook County, Chapter 74, Article II, Division 2, The Cook County Real Property Assessment Classification Ordinance, Sec. 74-60 et seq., as amended:

Class 6B     Class 8 (Industrial property)     Class 9

3. I have reviewed the Code of Ordinances of Cook County, Chapter 34, Article IV, Division 1 and The Cook County Living Wage Ordinance, Sec. 34-127 et seq., as amended (the "Ordinance"), and certify that the applicant is in compliance with the above referenced Cook County Living Wage Ordinance, due to one of the following options (check as appropriate):

Applicant is currently paying a living wage to its employees, as defined in the Ordinance.

OR

Applicant is not required to pay a living wage, pursuant to the Ordinance.

Further affiant sayeth not.

Dan McLachlan  
Agent's Signature

Dan McLachlan, Authorized Signatory  
Agent's Name & Title

456 Washington Ave., Carlstadt, NJ 07072  
Agent's Mailing Address

360-207-3263  
Agent's Telephone Number

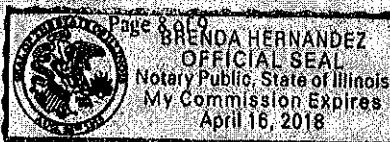
Blue Island Industrial, LLC  
Applicant's Name

456 Washington Ave., Carlstadt, NJ 07072  
Applicant's Mailing Address

d.mclachlan1@gmail.com  
Applicant's e-mail address

Subscribed and sworn before me this 28 day of Nov., 2007

Brenda Hernandez  
Signature of Notary Public



**EXHIBIT A**  
*(Please type or Print)*

**PIN(s)**

**Common Address**

24-26-403-008-0000

3500 W 127th St, Blue Island, IL 60406

24-26-403-011-0000

3500 W 127th St, Blue Island, IL 60406

24-26-403-012-0000

3500 W 127th St, Blue Island, IL 60406